



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION

1919 M STREET, N.W.

WASHINGTON, D.C. 20554

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August 1, 1997

FY 1997 Cable Television System Regulatory Fees

The Federal Communications Commission issues this Public Notice in order to provide information concerning the payment of regulatory fees in FY 1997. If you are an operator of a cable television system or a licensee of a cable antenna relay service (CARS) or broadcast auxiliary service, you should carefully review this Public Notice.

WHO MUST PAY REGULATORY FEES IN FY 1997

Cable television systems operating on December 31, 1996, must pay regulatory fees per subscriber in FY 1997. Governments and nonprofit entities (exempt under Section 501 of the Internal Revenue Code) are not required to pay regulatory fees and should not submit payment. However, the Commission is currently considering a proposal which would require that each exempt entity submit, or have on file with the Commission, a current IRS Determination Letter documenting its nonprofit status, a certification of governmental authority, or certification from a governmental authority attesting to its exempt status. If the Commission decides to adopt the proposal under consideration, the place and date for submission of the required documentation will be announced by a separate Public Notice. All cable television systems must pay regulatory fees of \$0.54 per subscriber for each community unit in which it operates. Additionally, each system operating on October 1, 1996, must pay a \$65.00 fee for each CARS license held and, if applicable, a \$25.00 fee for each Broadcast Auxiliary Service license held. In the event that there has been a change in ownership of a system after the effective dates above, but before the date payment is due, responsibility for payment of the regulatory fees rests with the owner of record on the appropriate effective date noted above. A regulatee will be relieved of its fee payment requirement if its total fee due, including all categories of fees for which payment is due by the entity, amounts to less than \$10.

WHY THE COMMISSION MUST COLLECT REGULATORY FEES

The requirement to collect annual regulatory fees from cable television systems is contained in Public Law 103-66, "The Omnibus Budget Reconciliation Act of 1993." These regulatory fees, which are likely to change each fiscal year, are used to offset costs associated with the

Commission's enforcement, public service, international and policy and rulemaking activities. These fees are in addition to any application processing fees associated with obtaining a license or other authorization from the Commission.

WHEN FEES WILL BE DUE

Fee payments must be received by the Commission during the period beginning September 15, 1997, and ending September 19, 1997, in order to avoid a 25% late payment penalty.

| TYPE OF FEE | REGULATORY FEE PAYMENT | FEE CODE |
|--------------------------------------|---------------------------|----------|
| Cable System Subscriber Fee | \$0.54 per subscriber | TOC7 |
| CARS License | \$65 per license | TQC7 |
| Broadcast Auxiliary Services License | \$25 per license | MUB7 |

FCC FORM 159

Regulatory fee payments must be accompanied by FCC FORM 159 ("FCC Remittance Advice"). This form has been revised and you must use the version dated July 1997. A copy of this form, with specific instructions, is attached to this Public Notice and may be used to submit fees. Reproduced forms are acceptable. Please see "Special Instructions for Completing FCC FORMs 159 and 159-C" for detailed information on how to correctly complete these Forms.

WHERE TO SEND REGULATORY FEE PAYMENTS

If sending your regulatory fee payment by mail, please address your envelope as follows:

Federal Communications Commission
Regulatory Fees
P.O. Box 358835
Pittsburgh, PA 15251-5835

If you prefer to send your regulatory fee payment by courier to our lockbox bank, you may do so 24 hours per business day (except bank holidays). Please address your envelope and deliver it to the following address:

Federal Communications Commission
c/o Mellon Bank
Three Mellon Bank Center
525 William Penn Way
27th Floor, Room 153-2713
Pittsburgh, PA 15259-0001
(Attention: FCC Module Supervisor)

METHOD OF PAYMENT

Regulatory fee payments may be made by check, money order, or by credit card (Visa or Mastercard only). When paying by credit card, please make sure you complete and sign block 28 of FCC FORM 159. Payments may also be made by wire transfer, ACH Debit or ACH Credit. Instructions are provided below.

NOTE: We encourage arrangements to consolidate regulatory fee payments either by a single entity or by different entities into a single payment instrument. Consolidated fee payments may cover any number of service categories. Multiple fee payments may be made utilizing any of the methods of payment mentioned above. Payers who will be making a single payment for a significant number of entities and wish to submit payment data in an automated format in lieu of a large number of FCC FORMs 159-C ("Advice Continuation Sheets") may do so. Specific instructions regarding automated data submission will be issued separately. There is no limit to the number of payment items.

WIRE TRANSFER PAYMENT INSTRUCTIONS

A wire transfer is a transaction that you initiate via your bank. It authorizes your bank to wire funds from your account to our lockbox bank, the Mellon Bank in Pittsburgh, PA. All payments made by wire transfer must be supported by a completed FCC Remittance Advice (FCC FORM 159) and Advice Continuation Sheet (FCC FORM 159-C), if required. The FCC FORM 159 must be faxed to Mellon Bank at (412) 236-5702 at least one hour before the wire transfer on the same business day. Indicate on the top of the FCC FORM 159 "Wire Transfer - Regulatory Fee Payment." In the Box (1) - Lockbox#, located at the upper left hand corner, indicate "358835." Failure to submit the completed FCC FORM 159 will result in a delay in crediting your account. Due to Federal Reserve regulations, wire transfers received after 6:00 p.m. (EDT) will be credited the next business day.

The following information should be provided to your bank in order to complete the wire transfer:

ABA Routing Number 043000261
Receiving Bank: Mellon Pittsburgh
BNF: FCC/ACV--9116106
OBI Field: (Skip one space between each information item)
"REGULATORYPAY"
PAYER TIN (Exactly as on FCC FORM 159, Block #26)

PAYER NAME (Exactly as on FCC FORM 159, Block #2)
Phone: (Daytime Phone #, exactly as on FCC FORM 159, Block #9)
LOCKBOX 358835

ACH DEBIT PAYMENT INSTRUCTIONS

This method involves simply calling Mellon Bank's toll-free telephone number, entering your payment via a computer terminal, or sending a CPU-CPU transmission by 8:15 p.m. (EDT) of the business day before your payment is to be processed. Mellon Bank will electronically process your payments to the FCC the next business day. Payments must be received no later than September 18, 1997, to ensure processing no later than September 19, 1997. A brief application form must be completed and a personal identification number (PIN) issued by the bank. Arrangements for using this process must be completed 14 days prior to submitting payment of the fee. Please contact Regina Dorsey, Chief, Billings & Collections Branch, Financial Operations Division at (202) 418-1995 for further details.

ACH CREDIT PAYMENT INSTRUCTIONS

This method requires that you contact your bank directly and authorize them to electronically transfer funds from your account directly to Mellon Bank for credit to the FCC. For specific instructions and charges, please contact your local bank. The following information should be provided to your bank in order to complete the ACH Credit transaction:

ABA Routing Number 043000261
Receiving Bank: Mellon Pittsburgh
FCC Bank Account #--9114784
Supplemental Information:
(Skip one space between each information item)
"REGULATORYPAY"
PAYER TIN (Exactly as on FCC FORM 159, Block #26)
PAYER NAME (Exactly as on FCC FORM 159, Block #2)
PHONE: (Daytime phone #, exactly as on FCC FORM 159, Block #9)
LOCKBOX 358835

WARNING: ACH Credit Payments normally take one to two days to post to the account of the FCC. If you elect this method of payment, you must effect your credit transaction in sufficient time to be processed no later than September 19, 1997.

COMPLIANCE

Please make sure your total remittance and the amount indicated on the FCC FORM 159 are in agreement. Failure to do so will delay processing. Cable television systems are solely responsible for accurately accounting for all CARS and Broadcast Auxiliary Service licenses, as well as the number of subscribers within each community unit, and for paying the proper regulatory fees. Any data omission, erroneous or incomplete data submission, or payment deficiency may result in a 25% monetary penalty, dismissal of pending actions, and/or revocation

of any authorization. You are strongly urged to submit your payment on time and accurately in order to avoid a penalty. Additionally, the Commission will invoke any lawful authority it may possess under the Debt Collection Act to collect any fees due or outstanding against any cable television system failing to meet its regulatory fee payment obligations.

WAIVERS, REDUCTIONS AND DEFERMENTS OF REGULATORY FEES

The Commission will consider requests for waivers, reductions or deferments of regulatory fees, in extraordinary and compelling circumstances only, upon a showing that such action overrides the public interest in reimbursing the Commission for its regulatory costs. Timely submission of the appropriate regulatory fee must accompany requests for waivers or reductions. This will ensure efficient collection in situations where a waiver or reduction is not warranted and will allow the requestor to avoid a 25% late-payment penalty if its request is denied. The regulatory fee will be refunded if the request is granted. Only in exceptional or compelling instances (where payment of the regulatory fee along with the waiver or reduction request could result in the reduction of service to a community or other financial hardship to the regulatee or licensee) will the Commission accept a petition to defer payment along with a waiver or reduction request. All requests for deferments must be received before September 19, 1997, in order to avoid the 25% late-payment penalty.

ADDITIONAL INFORMATION

Applicable Public Notices, and FCC FORMs 159 and 159-C are available from the Commission's Office of Public Affairs, Public Service Division and can be downloaded from the Internet (<http://www.fcc.gov> or <ftp@fcc.gov>). Text of the Report and Order including the entire Schedule of Regulatory Fees can also be downloaded from the Internet. Forms may also be obtained by contacting the Forms Hotline at (800) 418-3676 outside the Washington, D.C. area, or (202) 418-3676 locally. For additional information, please contact the Public Service Division at (202) 418-0192, or write to: Federal Communications Commission, Office of Public Affairs, ATTN: Public Service Division, 1919 M Street, N.W., Washington, D.C. 20554.

PAYMENT PROCEDURES FOR CABLE TELEVISION SYSTEMS

Subscriber Fees

All cable television systems are subject to a fee of \$0.54 per subscriber ¹. A system's total subscriber fee can be determined by multiplying \$0.54 times the number of subscribers as of December 31, 1996, within all community units in which it operates as defined below. You may pay for multiple community units with a single payment instrument as long as the community units are all part of the same cable system or are part of a group of commonly-owned cable systems.

¹ Number of Subscribers In a Community Unit = Number of single family dwellings + Number of individual households in multiple dwelling units (e.g., apartments, condominiums, mobile home parks, etc.) paying at the basic subscriber rate + Number of bulk-rate customers + Number of courtesy and free service. (NOTE: Bulk-Rate Customers = total annual bulk rate charge ÷ basic annual subscription rate for individual households).

CARS and Broadcast Auxiliary Licenses

Cable systems holding CARS licenses must pay a regulatory fee of \$65.00 for each CARS license and, if applicable, a regulatory fee of \$25.00 for each Broadcast Auxiliary Service license held as of October 1, 1996. NOTE: One payment may be submitted for all regulatory fee obligations (i.e., "subscriber fees" and all Cable Antenna Relay Service and Broadcast Auxiliary Service licenses).

Payment Due Date

All regulatory fee payments for cable television systems must be received at the Commission during the period beginning September 15, 1997, and ending September 19, 1997.

SPECIAL INSTRUCTIONS FOR COMPLETING FCC FORMS 159 AND 159-C

FCC FORM 159 ("FCC Remittance Advice") and, as necessary, FCC FORM 159-C ("Advice Continuation Sheet") must accompany all regulatory fee payments. FCC FORM 159 allows payers to report information on one or more payment items (e.g., multiple community units, CARS licenses, Broadcast Auxiliary Service licenses, or any combination). Use FCC FORM 159-C to report additional community units or licenses.

FCC FORMs 159 and 159-C have been attached to this Public Notice for you to complete and remit with your payment. Payers filing electronically must include information equivalent to the items on the FCC FORMs 159 and 159-C. You may make additional copies of the forms as required. In addition to the instructions for FCC FORM 159, the following information applies specifically to cable television payers:

Block (19) - "FCC CALL SIGN/OTHER ID":

- ▶ Enter your community unit identification number for reporting subscribers in each community unit within your system.
- ▶ Enter your call sign for CARS or Broadcast Auxiliary Service licenses.

Block (20) - "PAYMENT TYPE CODE":

TOC7: Use this code when paying a subscriber fee (\$0.54 per subscriber). Please note that subscriber information must be provided for each community unit in which the system is operated.

TQC7: Use this code when making a regulatory fee payment for a CARS license (\$65.00 per license).

MUB7: Use this code when making a regulatory fee payment for a Broadcast Auxiliary Services license (\$25.00 per license).

Block (21) - "QUANTITY":

- ▶ For subscriber fees (payment type code TOC7) enter the number of subscribers within each community unit. For CARS or Broadcast Auxiliary Service licensees, enter "1" in this block.

Block (22) - "FEE DUE":

- ▶ For subscriber fees (payment type code TOC7), multiply the amount in Block 21 ("Quantity") by \$0.54 and enter the result here. Round down to the nearest whole dollar.
- ▶ For CARS licenses (payment type code TQC7) enter \$65.00.
- ▶ For Broadcast Auxiliary Service licenses (payment type code MUB7) enter \$25.00.

Block (23) - "FCC CODE 1":

- ▶ LEAVE BLANK.

Block (24) - "FCC CODE 2":

- ▶ For subscriber fees only (i.e., payment type code TOC7), provide the name of the community unit.

Block (25) - "CERTIFICATION":

- ▶ Provide the printed name and signature of an individual owner/licensee or officer attesting to the accuracy and completeness of the information supplied.

Block (26) - "PAYER TIN":

- ▶ Enter the fee payer's nine digit Taxpayer Identification Number.

Block (27) - "APPLICANT TIN":

- ▶ If different from payer, enter the applicant's nine digit Taxpayer Identification Number.

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